



# Rebuild Iowa Office

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## State of Iowa Disaster Recovery Funding Sources Current January 2010

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## Glossary

|                |  |
|----------------|--|
| <b>CDBG</b>    | Community Development Block Grant                        |
| <b>COG</b>     | Council of Governments                                   |
| <b>DCA</b>     | Iowa Department of Cultural Affairs                      |
| <b>DHS</b>     | Iowa Department of Human Services                        |
| <b>DOT</b>     | Iowa Department of Transportation                        |
| <b>EDA</b>     | Economic Development Administration                      |
| <b>FEMA</b>    | Federal Emergency Management Agency                      |
| <b>HSEMD</b>   | Iowa Homeland Security and Emergency Management Division |
| <b>IDA</b>     | Iowa Department on Aging                                 |
| <b>IDED</b>    | Iowa Department of Economic Development                  |
| <b>IDH</b>     | Iowa Department of Health                                |
| <b>IFA</b>     | Iowa Finance Authority                                   |
| <b>IWD</b>     | Iowa Workforce Development                               |
| <b>LTRC</b>    | Long-Term Recovery Committee                             |
| <b>NEA</b>     | National Emergency Grant                                 |
| <b>SBA</b>     | U.S. Small Business Administration                       |
| <b>US ACE</b>  | U.S. Army Corps of Engineers                             |
| <b>USDA</b>    | U.S. Department of Agriculture                           |
| <b>US DHHS</b> | U.S. Department of Health and Human Services             |
| <b>US DOL</b>  | U.S. Department of Labor                                 |
| <b>US DOT</b>  | U.S. Department of Transportation                        |

**FEMA Housing and Other Needs Assistance (ONA) Funds**

**Type:** Federal  
**Status:** Complete, final deadline was Oct. 31, 2008, applications now accepted only through appeal process  
**Applicants:** Disaster-affected homeowners and renters  
**Administration:** FEMA, HSEMD and DHS  
**Description:** These funds go to disaster victims immediately following the disaster to cover personal property losses, home repairs and other items.  
The maximum award is \$28,800.

**FEMA Hazard Mitigation Grant Program (HMGP) Funds**

**Type:** Federal (75 percent); Local (15 percent); State (10 percent)  
**Status:** Active  
**Applicants:** Eligible cities, counties, schools, certain non-profit organizations and other government entities.  
**Administration:** HSEMD, with final review, approval and funding from FEMA  
**Description:** Authorized under Section 404 of the Stafford Act, the HMGP is funded by FEMA to implement long-term mitigation measures after a major disaster declaration. The purpose of the program is to reduce loss of life and property resulting from natural disasters and to enable mitigation measures to be implemented during the recovery from a disaster. Projects must be cost effective. Projects include, but are not limited to:

- Construction of tornado safe rooms
- Acquisition, structural relocation or elevation of buildings located in a special flood hazard area
- Structural and non-structural retrofitting of existing public buildings, facilities, or utilities to protect against wind, ice, or flood hazards
- Minor structural hazard control or protection projects such as storm water management (e.g., culverts, floodgates, retention basins)
- Localized flood control projects, such as floodwall systems, that are designed specifically to protect critical facilities and do not constitute a section of a larger flood control system
- Hazard Mitigation Planning

The total amount of FEMA HMGP funds available to Iowa is \$294 million, which is an amount equal to 20 percent of the total estimated assistance provided under the Stafford Act. While this amount is available as a maximum, projects must be approved individually before funds can be spent.  
NOTE: The remaining 25 percent of local and state HMGP funds are included under the State Executive Council section.

**FEMA Public Assistance (PA) Funds**

**Type:** Federal  
**Status:** Active  
**Applicants:** Disaster-affected cities and counties  
**Administration:** FEMA, HSEMD  
**Description:**

- This funding provides assistance to applicants to conduct emergency work as well as permanent work projects and includes the repair and/or replacement of public infrastructure, buildings, roads, bridges, drainage facilities and parks damaged in the disaster.
- More than \$1.4 billion is expected to be spent in Iowa through this program related to the 2008 disasters.
- The PA Program may also provide funding related to eligible damage repairs for applicable codes and standards, hazard mitigation actions and relocation in accordance with applicable federal policies.
- A form called a project worksheet is utilized jointly by FEMA, HSEMD and applicants to identify each project, scope of work and cost estimate. Each project must be approved by FEMA before projects can move forward.
- Large Projects (those over \$60,900) are funded on a reimbursement basis as the project is completed.

**U.S. Small Business Administration (SBA) Funds**

**Type:** Federal  
**Status:** Active  
**Applicants:** Disaster-affected homeowners, business owners and non-profit organizations  
**Administration:** Small Business Administration  
**Description:**

- The SBA offers low-interest loans for disaster-affected homeowners and business owners.
- In some cases, those approved for a loan choose not to take it.
- In order to apply for FEMA and sometimes other funding sources, most homeowners and business owners must apply for an SBA loan first
- All non-profit organizations that are not considered "critical services" must apply for an SBA loan before being considered for FEMA funding.
- Allocated: Amount that has been approved for lending
- Spent: Total loan amount loaned to approved applicants

### **Community Development Block Grant (CDBG) Funds**

**Type:** Federal  
**Status:** Active  
**Applicants:** Various  
**Administration:** HUD, IDED, COGs and Entitlement Cities  
**Description:**

- CDBG funds in Iowa are being used for many programs and purposes, including but not limited to the following:
  - Jumpstart Housing (including home repair, down payment assistance and interim mortgage assistance)
  - Jumpstart Small Business
  - Large & Small Project Rental Rehabilitation
  - Disaster Recovery Case Management.
  - Infrastructure
  - Housing acquisitions (“buyouts”)
  - New housing production
  - Flood plain mapping
- CDBG funds are not specifically meant for disaster recovery use. They are generally allocated to states for housing and community development purposes. In recent years, Congress has chosen to use this program as a vehicle for delivering additional disaster aid to states with major disasters.
- CDBG funds have the potential to be used for many different purposes, making them seem to be “the most flexible” form of funding.
- CDBG funds come with a number of restrictions as to their specific uses and who is eligible to use them (for example, they are often considered to be a “duplication” of other federal funds and come with income restrictions for homeowners who wish to use them).
- Allocated: These funds are appropriated by Congress in large sums and then HUD allocated them to state designated in the appropriation.
- Approved: With each allocation, states must complete an “Action Plan” detailing plans for the funding. Once that occurs, the state can begin committing the funds to specific projects. At this point that they are considered approved.
- Spent: This program is reimbursement only. Funds are never transferred to the state. Checks are cut for specific projects after their completion.

### **U.S. Department of Agriculture (USDA) Funds**

**Type:** Federal  
**Status:** Some programs are ongoing, some have closed  
**Applicants:** Farmers, rural communities and rural homeowners  
**Administration:** USDA  
**Description:**

- These programs are administered directly through federal offices including Rural Development, the Farm Services Agency and the Natural Resources Conservation Service.
- Programs include the Emergency Conservation Program (ECP) and the Emergency Watershed Program (EWP) and Rural Development grants and loans.
- No state agencies are involved in administering the funds.

**US Army Corps of Engineers****Type:** Federal**Status:** Active**Applicants:** Not applicable**Administration:** US ACE**Description:**

- This program is administered directly through federal offices.
- No state agencies are involved in administering these funds
- These funds are used to repair levees and other floodworks in Iowa.

**Initial State Jumpstart Funds****Type:** State**Status:** Complete, final application deadline for businesses was April 15, 2009 and Sept. 1, 2009 for homeowners.**Applicants:** Disaster-affected homeowners and business owners**Administration:** IDED (business), IFA (housing)**Description:**

- These funds were made available to disaster-affected Iowans in September 2008.
- Immediately following the disaster, Gov. Culver and the Executive Council transferred funds from other state programs for use in disaster recovery.
- These funds were meant to serve as interim funding and offer immediate relief in the months before federal funding arrived.
- The funds were split into the following two programs:
  - The Jumpstart Housing Assistance Program for repairs, replacement housing and mortgage assistance.
  - The Jumpstart Business Assistance Program.

**State Executive Council Funds****Type:** State**Status:** Active**Applicants:** Not applicable**Administration:** HSEMD, DHS**Description:**

- These funds were transfers authorized by the State Executive Council
- This funding is primarily used to fulfill Iowa's cost share for FEMA programs including the following:
  - 10 percent cost share for FEMA PA programs
  - 25 percent cost share for FEMA HMGP and ONA programs
  - Much of the funding for this purpose will be held aside until near the end of the infrastructure projects (when the state share is due).
- This funding also covers necessary costs for HSEMD.

**Iowa Finance Authority Tax Credits**

**Type:** Federal

**Status:** 2009 tax credits have all been used, more will be available in 2010

**Applicants:** Housing developers (in conjunction with local governments)

**Administration:** IFA

**Description:**

- These Low-income Housing Tax Credits assist in spurring the development of affordable housing projects around the state.
- These tax credits are targeted for use in communities affected by the 2008 disasters.
- These are not direct funding and do not provide a check to recipients. Because of this, they are not considered “spent” until the project is complete.
- 10-year terms in the tax credits.

**U.S. Department of Transportation (US DOT) Funds**

**Type:** Federal

**Status:** Active

**Applicants:** Not applicable

**Administration:** US DOT, DOT

**Description:**

- These funds are to assist the Iowa Department of Transportation (DOT) with disaster-related transportation costs, including repairs and other expenses.

**National Emergency Grant Funds**

**Type:** Federal

**Status:** Active

**Applicants:** Government and non-profit organizations employing these workers for disaster specific projects, individuals, business owners

**Administration:** US DOL, IWD

**Description:**

- These funds are currently being used for the Emergency Public Jobs (EPJ) program.
  - This program provides work for disaster-affected and long-term unemployed lowans on disaster-related projects in affected areas.
  - Individuals can work for approximately 6 months in the program and can earn up to \$12,000 and are often provided training.
  - Individuals are paid at the prevailing rate for the worksite, which provides higher compensation than unemployment insurance benefits.
- These funds were also used for a Small Business Disaster Grant Program
  - This program application deadline was in October 2009.
  - This program assisted businesses which experienced temporary or permanent displacement of employees due to the disaster with grants of up to \$5,000.

**Social Services Block Grant Funds**

**Type:** Federal

**Status:** Active

**Applicants:** Not applicable

**Administration:** US DHHS, DHS, IDH, IDA

**Description:**

- These funds are primarily being used for disaster-related mental health programs, public health needs and services for the elderly.

**Disaster Unemployment Assistance Funds**

**Type:** Federal

**Status:** Complete

**Applicants:** Iowans unemployed due to the disaster

**Administration:** US DOL, IWD

**Description:**

- These funds provided temporary financial assistance to individuals unemployed due to Iowa's summer disasters of 2008.
- This program has ended and is no longer available.

**Economic Development Administration (EDA) Funds**

**Type:** Federal

**Status:** Active

**Applicants:** Local governments including cities, counties and COGs

**Administration:** EDA and COGs

**Description:**

- A small portion of these funds support the development of a strategy for planning the economic recovery from Iowa's summer disasters of 2008 both at the statewide and regional level.
- These funds also support disaster-related infrastructure projects approved on a case-by-case basis and revolving loan funds for businesses administered by the COGs.

**Crisis Counseling Grant Funds**

**Type:** Federal

**Status:** Complete

**Applicants:** Not applicable

**Administration:** US DHHS, DHS

**Description:**

- These funds include support for disaster programs including Project Recovery Iowa, a post-disaster counseling program assisting affected individuals and families.
- Funds from this grant had to be used by DHS by Sept. 30, 2009. Unused funds were returned to the US DHHS.



**State Scholarship and Grant Reserve Funds**

**Type:** State  
**Status:** Complete  
**Applicants:** Disaster-affected college students  
**Administration:** Iowa College Student Aid Commission  
**Description:**

- These funds provided scholarships to college students impacted by Iowa's summer disasters of 2008.
- This was a one-time appropriation of for this purpose and funds were all awarded prior to the 2008 school year.
- The maximum award was \$1,594, the minimum was \$708, and the average was \$1,164.

**Iowa Disaster Recovery Bill Funds**

**Type:** State  
**Status:** Active  
**Applicants:** Individuals and communities  
**Administration:** IFA, DHS, HSEMD  
**Description:**

These funds allocated by HF64 in February 2009 for the following purposes:

- Jumpstart Iowa Housing Assistance
  - Includes repair and down payment assistance
  - Administered at the state-level by IFA.
  - Administered locally by COGs and Entitlement Cities.
  - The application was Sept. 1, 2009.
- Individual Unmet Needs Disaster Grant Program
  - Administered at the state-level by DHS
  - Administered locally through LTRCs.
  - The application deadline for these funds was Oct. 16, 2009 due to limited funds.
  - Some of this funding was in the form of vouchers to individuals. Those funds are not considered expended until the individual uses the voucher and the retailer submits information for reimbursement.
- Community Disaster Grants for cities and counties affected by Iowa's summer disasters of 2008
  - Administered by HSEMD.
  - These funds were allocated using a specific formula outlined in legislation.
  - Communities were asked to submit paperwork explaining their plans for use of the funds.
  - Work should be done by June 30, 2010. However, if funds are encumbered, work can be done and paid for using these funds after that date.

**National Endowment for the Arts Emergency Support Funds**

**Type:** Federal  
**Status:** Complete  
**Applicants:** Disaster-affected artists and arts organizations  
**Administration:** NEA, DCA  
**Description:**

- The Iowa Arts Council (Department of Cultural Affairs) received a \$100,000 National Endowment for the Arts (NEA) grant in 2008 to assist artists and arts organizations in their disaster recovery.
- These funds have been expended and are no longer available.

**Community Economic Betterment Account (CEBA)**

**Type:** State  
**Status:** Complete  
**Applicants:** Disaster-affected small businesses  
**Administration:** IDED  
**Description:**

- This program, normally used for loans and forgivable loans to assist small businesses during normal times, was also made available with fewer restrictions to disaster-affected businesses.
- The application period for this program has ended.

**Administration on Aging Funds**

**Type:** Federal  
**Status:** Complete  
**Applicants:** Local Area Agencies on Aging  
**Administration:** IDA  
**Description:**

- Disaster-related funding through the IDA.
- This program was a one-time allocation and is complete.

**Regents Bonding Funds**

**Type:** State  
**Status:** Active  
**Applicants:** Not applicable  
**Administration:** Iowa Board of Regents  
**Description:**

- 2009 legislation authorized the Iowa Board of Regents to bond for up to \$100 million in funds for disaster-related expenses and rebuilding at Iowa Regent institutions.

**I-JOBS Bonding Funds**

**Type:** State

**Status:** Active

**Applicants:** Local governments, homeowners

**Administration:** IFA, COGs and Entitlement cities

**Description:**

- 2009 legislation authorized bonding for disaster-related infrastructure projects and further Jumpstart Housing Assistance.
- Some recipients of this funding were outlined in the legislation, while others applied through a competitive process.
- All applications for competitive infrastructure funds were due Aug. 3, 2009 and have been awarded. Funds will not be expended until projects are underway.